



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

May 1, 2008

Kimberly J. Holland, Program Director  
Glendale Community College  
Professional Development Center (PDC)  
2340 Honolulu Avenue,  
Montrose, CA 91020

Dear Ms. Holland:

**RE: FINAL MONITORING VISIT REPORT for GLENDALE COMMUNITY COLLEGE PDC (ET06-0295)**

<b>Date of the Visit:</b>	05/01/08
<b>Beginning/Ending Time:</b>	9:30 a.m. – 12:30 p.m.
<b>Date of Last Visit:</b>	09/20/07
<b>Visit Location:</b>	Montrose
<b>Persons in attendance:</b>	Kimberly J. Holland, Program Director, PDC Margarita M. Paccarelli, Contract Analyst, ETP
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	05/01/06 – 04/30/08	<b>Agreement Amount:</b>	\$1,700,313
<b>Training Start Date:</b>	05/01/06	<b>No. to Retain:</b>	1,655
<b>Date Training must be Completed:</b>	01/27/08	<b>Range of Hours:</b>	24 - 200
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	72 - 78

## **FINAL REPORT SUMMARY**

### **• HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on June 15, 2006 and training began on May 1, 2006. Ms. Holland reported that all training was completed on January 31, 2008, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement - April 30, 2008

SACRAMENTO CENTRAL OFFICE  
1100 J Street, 4<sup>th</sup> Floor  
SACRAMENTO, CA 95814  
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE  
4640 Lankershim Blvd., Suite 311  
NORTH HOLLYWOOD, CA 91602  
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE  
1065 East Hillsdale Blvd, Suite 415  
FOSTER CITY, CA 94404  
(650) 655-6930

SAN DIEGO REGIONAL OFFICE  
5353 Mission Center Road, Suite 110  
SAN DIEGO, CA 92108  
(619) 686-1920

During the term of this Agreement, ETP approved the following modifications:

- Modification 1, approved on April 11, 2007, changed the payment benchmarks in the Agreement. Initially, PDC opted not to receive Progress Payment 1 in this Agreement. However, due to invoicing issues, PDC requested to receive progress payments up to the amount allowable by ETP.
- Modification 2, approved on June 13, 2007, move trainee slots from Jobs 1 and 2 to new job groups (Jobs 4 and 5). The new job groups were created to accommodate participating employers who were requesting additional training to employees who already completed training in Jobs 1 and 2.

- **FINAL PROJECT STATISTICS**

Although Chart 1, Exhibit A of the Agreement, specified that there would be 1,655 trainees to be retained, your project staff reported that 1,679 trainees completed training and the 90-day retention period. This resulted in a completion rate of 101 percent with approximate earnings of \$1,567,968.75 (92% of the Agreement amount).

Projected earnings were calculated based on the current statistics obtained from the ETP Online Tracking System as follows:

<b>Job #</b>	<b>Total Hours Completed To Date</b>	<b>Hours Eligible for Reimbursement</b>
1	93,194.10	93,174.10
2	4,148.75	4,148.75
3	3,078.50	3,078.50
4	7,081.50	7,081.50
5	112.50	112.50
<b>TOTAL</b>	<b>107,615.35</b>	<b>107,595.35</b>

Ms. Holland was advised that the Agreement contains a variable training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 24 and 200 class/lab training hours. There will be no reimbursement for any trainee who does not complete a minimum of 24 hours of training from the required curriculum.

Since your company has been paid \$1,396,305 to date, your company will receive an additional \$171,663.75, if the anticipated number to retain is verified during the final fiscal closeout.

At this time, all active trainees must either be dropped or invoiced for final payment at this time. By the terms of the agreement the final contract closeout should be completed within 30 days of the end term date of the Agreement. The final contract closeout invoice and associated documents must be submitted to ETP on or before the close of business on May 30, 2008.

- **PANEL MEMORANDUM (ETP 130)**

- *IN-KIND CONTRIBUTION*

When this Agreement was presented to the Panel in April 2006, the ETP130 stated that your projected total in-kind contribution will be \$1,047,447. Since the contract term has ended, Ms. Holland reported that the actual in-kind contribution for this Agreement is \$1,770,133 (\$1,525,933 for trainee wages while in training and \$224,200 for other monetary contributions paid by employer, such as material fees).

- *CENTER-BASED TRAINING*

According to Ms. Holland, PDC delivered 179 classes in this Agreement. Approximately 41% of the classes took place at the PDC facility in Montrose, California. According to Ms. Holland, the center-based programs enabled access to training for very small employers and larger employers who need to train only a handful of employees. All center-based training was designed through the use of employer assessments and customer feedback. She stated that trainees who attended center-based classes received structured, on-site training (SOST) at Glendale PDC's expense.

- **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVES**

According to Ms. Holland, PDC provided training to 273 participating employers, of which 203 are in the priority industries. Approximately 53% of the employers served are small business companies (<100 employees).

Ms. Holland stated that participating employers benefited from training in a variety of ways including improved efficiencies, higher productivity and quality, better customer satisfaction, higher sales, and improved technical skills of employees. She cited the following positive results directly attributable to the ETP program provided by PDC:

- A client that offers a portfolio of compound semiconductor-based components and subsystems for the broadband, fiber optic, satellite, solar and wireless communications markets cut its lead time by 25% through streamlining the system of applying part numbers to individually designed chassis. One group of engineers created a new process to reduce failures in production of chips reducing company costs by \$650,000 annually.
- A manufacturer of airtight seals that trained in Lean Operations improved their productivity by 25% through creation of a cell that reduced the queue and balance of workflow. In addition, improved planning of purchasing and production reduced costs of inventory build up and reduced shortages in availability of components, increased continuity of efficient output. Another group reduced process time by 20%, the queue of assembly by 31% and improved their turn around time.
- An aerospace manufacturing company reduced their cycle time by 30% through implementation of lean concepts such as reduction of non-value added processes and procedures. This improved their number of on-time deliveries and customer retention. The anticipated yearly cost savings for this improvement is \$287,000.

According to Ms. Holland, PDC staff did not encounter any barriers in implementing the Agreement or any problems with the ETP recordkeeping. She stated that the ETP Online System is user-friendly and accessible anywhere at anytime. She looks forward to continuing PDC's relationship with ETP which will allow your school to provide competitive skills to employees and keep California's workforce strong.

**PROJECT STATISTICS PROVIDED BY THE CONTRACTOR:**

<b>Trainees Started Training:</b>	1,656	<b>Completed Training:</b>	1,288
<b>Trainees Enrolled:</b>	1,656	<b>Completed Retention:</b>	999
<b>Dropped Following Enrollment:</b>	63	<b>In Retention Period:</b>	289
<b>Currently in Training :</b>	368		

The project statistics provided during this visit matches those listed on the current ETP Contract Status Report.

**TRAINING RECORDS**

Ms. Pacerelli conducted a random sampling of 17 trainees billed for Final Payment on Invoices 12, 13, 15, 16, 19, 22, 23, and 25. Records reviewed validated these invoices for the completion of the training hours as posted on the ETP Online Tracking System. Records show that these trainees completed between 32 and 106 class/lab training hours and the completed hours matches those posted on the ETP Online Tracking System. Records reviewed confirmed that the Agreement curriculum was provided as specified and the ratio of trainer to trainee delineated in the Agreement training plan was adhered to.

Ms. Holland was advised that the above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements.

**AUDIT**

Your school will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

### **RECORD RETENTION**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Margarita Paccereilli at (818) 755-1317 or by email at [mpaccereilli@etp.ca.gov](mailto:mpaccereilli@etp.ca.gov) within ten (10) working days from the receipt of this report.

Sincerely,

### ***Signature on File***

Dolores Kendrick, Manager  
North Hollywood Regional Office

### ***Signature on File***

Margarita M. Paccereilli, Contract Analyst  
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Program Operations Division (via email)  
Kulbir Mayall, Fiscal Manager (via email)  
Master File  
Project File

Date report mailed to Contractor 5/2/08